S.C.R. NO. IID

MAR 0 8 2019

SENATE CONCURRENT RESOLUTION

AUTHORIZING THE SALE OF A LEASE OF CERTAIN SUBMERGED LANDS AT KALIHI-KAI, HONOLULU, OAHU, BY PUBLIC AUCTION.

WHEREAS, unrecorded Lease No. H-78-5 was issued to Annette L. Nahinu, DBA La Mariana Sailing Club, as lessee, made on July 14, 1978, encompassing 103,390 square feet of state submerged lands identified by Tax Map Key: (1) 1-2-023:052, Kalihi-Kai, Honolulu, Oahu; and

5 Kalihi-Kai, Honolulu, Oahu; and
6

2

7

8

9 10

11

12 13

14 15

16 17 18

19

20 21

22

23

242526

27 28

29 30

31

32 33 WHEREAS, the term of Lease No. H-78-5 was for thirty-five years commencing May 1, 1979, and ending April 30, 2014; and

WHEREAS, under the terms of Lease No. H-78-5:

- (1) The lessee agreed to construct certain improvements which would be used principally for a private sailing club for sailboats;
- (2) The lessee was required to construct suitable piers;
- (3) The lessee was allowed to construct a clubhouse with a snack bar and a bar for members, bathrooms with showers for men and women, and a building to house an office, recreation room, bathroom, kitchenette, workshop, lockers, and a caretaker's quarters; and
- (4) Liveaboard tenants were not allowed; and

WHEREAS, the lessee's operations were significantly impacted by the tsunami that hit the Hawaiian Islands on March 11, 2011, when the tsunami damaged the docks that formed a substantial and necessary part of the leased premises; and

WHEREAS, the lessee incurred significant economic hardship from the effects of the March 11, 2011, tsunami due to repair costs and resulting loss of revenue; and

S.C.R. NO. 110

WHEREAS, the lessee requested an extension of Lease No. H-78-5 for an additional five years; and

5

 WHEREAS, pursuant to Act 272, Session Laws of Hawaii 1991, the Department of Land and Natural Resources is the agency responsible for the oversight and administration of boating and coastal area programs; and

WHEREAS, management of Lease No. H-78-5 was transferred from the Department of Transportation to the Department of Land and Natural Resources by operation of law, effective July 1, 1992; and

 WHEREAS, the Board of Land and Natural Resources at its regularly scheduled June 14, 2013, meeting agreed to the extension of Lease No. H-78-5, pursuant to section 171-36(d) and (e), Hawaii Revised Statutes; and

 WHEREAS, the Board of Land and Natural Resources at its regularly scheduled February 22, 2019, meeting agreed to a one-year holdover of Lease No. H-78-5 to La Mariana Sailing Club, Inc., and declared the disposition exempt from the environmental assessment requirements of chapter 343, Hawaii Revised Statutes, for having minimal or no significant impact on the environment; and

WHEREAS, additionally, the Board of Land and Natural Resources at its regularly scheduled February 22, 2019, meeting authorized the sale of Lease No. H-78-5 at public auction for a private marina, restaurant selling alcoholic and non-alcoholic drinks, gift shop, boat and trailer storage, other marina related services, and parking, and declared the disposition exempt from the Environmental Assessment requirements of chapter 343, Hawaii Revised Statutes, for having minimal or no significant impact on the environment; and

WHEREAS, section 171-53(c), Hawaii Revised Statutes, requires prior approval of the Governor and prior authorization of the Legislature by concurrent resolution for the leasing of state submerged lands; now, therefore,

S.C.R. NO. 110

BE IT RESOLVED by the Senate of the Thirtieth Legislature of the State of Hawaii, Regular Session of 2019, the House of Representatives concurring, that the Board of Land and Natural Resources is authorized to hold a public auction for sale of a lease of the submerged lands at Tax Map Key: (1) 1-2-023:052, Kalihi-Kai, Honolulu, Oahu pursuant to section 171-53(c), Hawaii Revised Statutes; and

BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Governor and Chairperson of the Board of Land and Natural Resources.

OFFERED BY:

